

Message Text

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PAGE 01 BRASIL 02277 241204Z
ACTION H-03

INFO OCT-01 ARA-06 ISO-00 SS-07 NSC-06 AID-01 /024 W
-----241208Z 074874 /17

P R 241120Z MAR 77
FM AMEMBASSY BRASILIA
TO SECSTATE WASHDC PRIORITY 0716
INFO AMCONSUL RIO DE JANEIRO
AMCONSUL SAO PAULO

LIMITED OFFICIAL USE BRASILIA 2277

E.O. 11652: N/A
TAGS: OREP (RICHMOND, FREDERICK W.), BR
SUBJECT: CODEL RICHMOND

1. DURING MARCH 17 MEETING WITH RIO COFFEE EXPORTERS AND TRADERS, CONGRESSMAN RICHMOND PRESENTED HIS VIEWS ON EFFECTS OF HIGH COFFEE PRICES AND THE INTERNATIONAL COFFEE AGREEMENT. BRAZILIAN PRESS ATTENDED MEETING.

2. RICHMOND ARGUED THAT LOWER COFFEE PRICES WOULD BENEFIT BRAZIL-
IAN GROWERS AND EXPORTERS. HE CITED 20 PERCENT DECLINE IN US PER
CAPITA CONSUMPTION AND THE INCREASING AVERAGE AGE OF THE US COFFEE
CONSUMER AS FACTORS THAT SUPPORTED HIS VIEWPOINT. IF PRICES
REMAIN NEAR CURRENT HIGHS HE WARNED THAT US CONSUMPTION WOULD DROP
EVEN MORE MARKEDLY. RICHMOND COMMENTED THAT COFFEE PRICES IN THE
\$.20-1.50/LB. RANGE WERE ACCEPTABLE (I.E., COMPARED TO 0.60/LBMN
THE HISTORIC AVERAGE FOR THE 1950'S AND 1960'S) BUT \$3 OR \$4/LB
PRICES WERE HARMFUL TO BOTH PRODUCER AND CONSUMER INTERESTS. TO
START A PRICE DECLINE HE SUGGESTED THAT BRAZIL SIGNIFICANTLY
REDUCE ITS COFFEE EXPORT TAX.

3. RICHMOND STATED THAT THE INTERNATIONAL COFFEE AGREEMENT WAS
UNWORKABLE AND CALLED FOR A REVISION THAT WOULD INCLUDE A PRICE
CEILING. (HE HAD PREVIOUSLY COMMUNICATED THESE VIEWS TO THE US
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EXECUTIVE BRANCH OFFICIALS WHO HANDLED THESE MATTERS IN A
MEETING HE HAD CALLED LAST WEEK.)

4. SEVERAL TIMES DURING THE DISCUSSION WITH THE COFFEE EXPORTERS
RICHMOND REITERATED THAT HIS OBJECTIVE IN BRAZIL WAS TO TRY TO
DEMONSTRATE TO BRAZILIANS WHERE BRAZIL'S REAL INTERESTS LIE.
HE NOTED THAT IF HE DID NOT HAVE BRAZIL'S INTERESTS AT HEART,

HE COULD APPEAR IN FRONT OF THE US TELEVISION NETWORKS, WITH
PRESIDENT CARTER, AND LAUNCH A REAL COFFEE BOYCOTT.

5. COMMENT: THE MEETING WAS DEVOTED TO POLEMICS DELIVERED ALTER-
NATIVELY BY RICHMOND AND EXPORTERS. NEITHER SIDE WAS OPENMINDED
ON COFFEE ISSUE AND ONLY POSSIBLE POSITIVE RESULT FROM MEETING
WAS BETTER APPRECIATION BY EACH OF FIRMNESS OF THE OTHER SIDE'S
CONVICTIONS. PRESS REPORTS, NOTABLY IN O GLOBO AND JORNAL DO
BRASIL, HAVE CONCENTRATED ON POOR ATMOSPHERE OF MEETINGS --
CITING MINIMUM OF COURTESY DISPLAYED BY BOTH SIDES.

6. THIS MESSAGE PREPARED BY CONGEN RIO.
CRIMMINS

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Sent Date: 24-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
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Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1977/newtext/t19770328/aaaaaxuj.tel
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Litigation Codes:
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Message ID: e54c20b3-c288-dd11-92da-001cc4696bcc
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Original Classification: LIMITED OFFICIAL USE
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Review Exemptions: n/a
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Review Release Date: n/a
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Review Withdrawn Fields: n/a
SAS ID: 3013353
Secure: OPEN
Status: NATIVE
Subject: CODEL RICHMOND
TAGS: OREP, BR, (RICHMOND, FREDERICK W)
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/e54c20b3-c288-dd11-92da-001cc4696bcc
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